

No. 056/2014
Data: February 05, 2014

Mr. Victor Ursu
Director
Soros Foundation Moldova

Subject: Sub-grant agreement №02-SR-T/SSF/2010.:
Sub-Recipient: Soros Foundation Moldova

Implementation Letter: 3
Updated Sub-grant Agreement Standard Terms and Conditions

UNNOFICIAL SUMMARY:

This letter updates the Standard Terms and Conditions of the Sub-grant agreement.

Dear Mr. Ursu,

The Global Fund reviewed the request on possibility to identify additional resources for small grants for NGOs from the Transnistria region and approved reallocation of savings towards the budget line 2.3.1 considering the rationality to keep activities in the region on the left bank.

Therefore, we are writing this letter to complete the Standard Terms and Conditions (the "STDs") of the Sub-grant agreement №02-SR-T/SSF/2010, with the revised version enclosed with this letter.

In particular, the updated version of STCs includes changes to the following provisions, all or some of which may not be reflected in the prior STCs of the SSF Sub-grant agreement:

- Revisions to block 7 of the Face Sheet of the Amended and Restated Program sub- grant agreement under single stream of funding, which approve the amendment of Sub- Grant Fund with 8.000 Euro, and the total sum is 833 486,51 Euro (Eight Hundred Thirty Three Thousand Forty Hundred Eighty Six Euro), involving a First Commitment of € 612 746.50 (Six Hundred Twelve Thousand, Seven Hundred Forty Six Euros), and a Second Commitment of € 114 370.00 (One Hundred Fourteen Thousand, Thirty Seventy Euros) and a Third Commitment of € 106 370.00 (One Hundred Six Thousand, Thirty Seventy Euros).

- Revisions to Article d of the Recitals of the Amended and Restated Program Sub- Grant agreement under single stream of funding, amend the total maximum amount of Sub-Grant funds that the Principal Recipient agreed to provide to the Sub-Recipient under the current Sub-Grant Agreement (as specified in block 7 of the face sheet of that agreement) and shall be increased from Euro 609 020.00 Euro to 825 486,51 Euro.

- Revisions in the budget of the 4th Year (2014) of the Annex C – Sub-Recipient's Work Plan & Budget, which amend the total fund for the line 2.3.1 "Grants to NGOs to improve TB control at community level" increasing from 60,000 Euro to 68,000 Euro.

- Revisions of the indicator "Number of grants to NGOs to improve TB control at community level " in the Year 3 from the Annex B – Sub-Recipient's Monitoring and Evaluation Plan.

The summary of changes to the STCs above is provided for informational purpose only, and the terms of the enclosed STCs are legally controlling for the Sub-grant agreement N°02-SR-T/SSF/2010 from this point forward. We recommend that you review the enclosed STCs and contact the Principal Recipient should you have any question.

Sincerely,

Viorel Soltan
Director

Agreed and signed

For: Soros Foundation Moldova

By:

Authorized representative: Mr Victor Ursu, Director

Date:

05.02.2014



A handwritten signature in blue ink.

**AMENDED AND RESTATED
PROGRAM SUB-GRANT AGREEMENT UNDER SINGLE STREAM OF FUNDING**

1. Country : Republic of Moldova	
2. Principal Recipient Name and address : Center for Health Policies and Studies (PAS Center), 99/1 V. Alecsandri Street, Chisinau, MD2012, Republic of Moldova	
3. Sub-Recipient Name and Address: Soros Foundation Moldova, 32 Bulgara Street, Chisinau, MD-2001, Republic of Moldova	
4. Program "Empowerment of People with Tuberculosis and Communities in Moldova", (Grant No. MOL-809-G05-T), financed by Global Fund to Fight AIDS, Tuberculosis and Malaria	
5. Sub-Grant Number 02-SR-T/SSF/2010:	5A. Modification Number: 2 (Second Implementation Period Amendment)
6. Implementation Period: 1 January 2013 to 31 December 2015	
7. Sub-Grant Funds: Up to the amount of € 833 486.510 (Eight Hundred Thirty Three Thousand Four Hundred Eighty Six EURO)	
Sub-Grant Funds as indicated above will be committed by the Principal Recipient to the Sub-Recipient in staggered terms as described in point F of the Recitals to this Sub-Grant Agreement, involving a First Commitment of € 612 746.51 (Six Hundred Twelve Thousand, Seven Hundred Forty Six Euros), and a Second Commitment of € 114 370.00 (One Hundred Fourteen Thousand, Thirty Seventy Euros) and a Third Commitment of € 106 370.00 (One Hundred Six Thousand, Thirty Seventy Euros)	
9. Information for Sub-Recipient Bank Account into which Grant funds will be Disbursed: Owner of Bank Account: Soros Foundation - Moldova Account number: 225110000103569 Fiscal code: 135867 Bank name: B.C. „Victoriabank” S.A., Branch #3 Bank address: 141, 31 August 1989 str, Chisinau, MD-2004, Republic of Moldova	
10. The fiscal year of the Principal Recipient and Sub-Recipient is from 1 January to 31 December.	
11. Name/Address for Notices to Principal Recipient: Viorel Soltan Director Center for Health Policies and Studies (PAS Center) 99/1, V. Alecsandri Str., Chisinau MD-2012, Republic of Moldova Tel.: +373 22 22 63 43 Fax: +373 22 22 63 87 E-mail: viorel.soltan@pas.md	12. Name/Address for Notices to Sub-Recipient: Victor Ursu Director Soros Foundation - Moldova 32, Bulgara Str., Chisinau MD-2001, Republic of Moldova Tel. : +373 22 27 00 31 Fax : +373 22 27 05 07 E-mail : vursu@soros.md
This Agreement consists of the four pages of this face sheet and the following: Special Terms and Conditions, Standard Terms and Conditions, Annex A – Sub-Recipient's Project Description, Annex B – M&E Plan and Annex C – Work Plan and Budget	

13. Signed for the **Principal Recipient** by its Authorized Representative

Date : 05/02/2014

Signature : _____



Viorel Soltan

Director of Center for Health Policies and Studies (PAS Center)

14. Signed for the **Sub-Recipient** by its Authorized Representative

Date : 05.02.2014

Signature : _____



Victor Ursu
Director

48662

**AMENDED AND RESTATED
PROGRAM SUB-GRANT AGREEMENT UNDER SINGLE STREAM OF FUNDING
02-SR-T/SSF/2010**

THIS SUB-GRANT AGREEMENT is made between the Principal Recipient identified in block 2 of the Face sheet of this Agreement (the "Principal Recipient") and Sub-Recipient identified in block 3 of the Face sheet of this Agreement (the "Sub-Recipient"). The Principal Recipient and the Sub-Recipient are referred to herein individually as a "Party" and collectively as the "Parties".

RECITALS:

- a) The Principal Recipient entered into a Program Sub-Grant Agreement under a Single Stream of Funding with the Sub-Recipient ending on 31 December 2012 with the number 02-SR-T/SSF/2010, and a total amount of EUR 609 020.00 of which Euro 456 889.00 has been disbursed by the Principal Recipient to the Sub-Recipient up to the 31 December 2012.
- b) The Global Fund has approved funding for an Additional Implementation Period. Accordingly, subject to certain conditions, the Principal Recipient wishes to: (i) increase the amount of the Sub-Grant provided in the Original Sub-Grant Agreement; and (ii) continue disbursement of Grant funds until the end of the Implementation Period indicated in Block 6 of face sheet of this Amended and Restated Sub-Agreement; and
- c) The Principal Recipient and the Sub-Recipient wish to: (i) replace the Special and Standard Terms and Conditions of the Original Sub-Grant Agreement with the Special and Standard Terms and Conditions attached to this Amended and Restated Sub-Grant Agreement; (ii) replace Annex A and B of the Original Sub-Grant Agreement with the revised Annex A to this Amended and Restated Sub-Grant Agreement; and (iii) attach the documents entitled Annex B "M&E Plan Year 3-5: Indicators, Targets and Periods Covered" and Annex C "Work Plan & Budget (Under Consolidated Grant Period 2) Year 2013-2015" to this Amended and Restated Sub-Grant Agreement.
- d) The Principal Recipient and the Sub-Recipient agree that the Original Sub-Grant Agreement (referred to in the Recitals of this Sub-Grant Agreement) shall be amended so that the total maximum amount of Sub-Grant funds that the Principal Recipient agreed to provide to the Sub-Recipient under the current Sub-Grant Agreement (as specified in block 7 of the face sheet of that agreement) shall be increased from Euro **609 020.00 Euro** to **833 486.510 Euro**.
- e) For the avoidance of doubt, the Sub-Recipient acknowledges that the amount set forth in block 7 of the face sheet of this Agreement represents the total funding for this Sub-Grant from the start of the first Implementation Period to the end of the current Implementation Period, and, therefore, nothing in this Sub-Grant Agreement shall be interpreted to mean that the entire amount in block 7 of the face sheet of this Sub-Grant Agreement is available during the current Implementation Period.

PROGRAM SUB-GRANT AGREEMENT UNDER A SINGLE STREAM OF FUNDING PAGE 4

- f) At the time of signing this Sub-Grant Agreement, the Principal Recipient shall set aside (“commit”) funds up to the amount of the First Commitment indicated in block 7 of the face sheet, subject to the terms and conditions of this Sub-Grant Agreement. The Second Commitment, up to the amounts indicated in block 7 of the face sheet, shall be undertaken in a manner consistent with Global Fund’s discretion and authority as described in the Grant Agreement, taking into account, among other things, the availability of Global Fund funding and the reasonable cash flow needs of the Sub-Recipient. The Sub-Recipient acknowledges and understands that the Second Commitment may not be released in full or part by the Principal Recipient in the event of non-compliance by the Sub-Recipient with the terms of this Sub-Grant Agreement.
- g) The Sub-Recipient acknowledges and agrees that it is bound to perform all of its obligations and liabilities under the Original Sub-Grant Agreement that have not been performed to the satisfaction of the Principal Recipient as of the ending date of this Original Sub-Grant Agreement.
- h) The Sub-Recipient acknowledges and agrees that all funds disbursed by the Principal Recipient under the Original Sub-Grant Agreement, and all revenue generated by activities funded under such agreement shall be subject to, and accounted for under the terms and conditions of this Agreement.
- i) The Sub-Recipient shall ensure that all goods and services procured with funds provided by the Principal Recipient under the Original Sub-Grant Agreement, including those procured by Sub-subrecipients, shall be used solely for the purpose of implementing the project during current Implementation Period and shall be subject to the terms and conditions of this Sub-Grant Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and intending to be legally bound, the parties hereby agree to amend and restate the terms and conditions of the Original Sub-Grant Agreement as follows:

SPECIAL TERMS AND CONSITIONS TO THIS SUB-GRANT AGREEMENT

1. Procurement: All the procurements made through Single Source Selection/ Direct Contracting over EUR 5,000 will be subject to Global Fund prior approval. The Sub-Recipient will send to the Principal Recipient the justification of Single Source Selection/ Direct Contracting which will be redirect to the Global Fund for prior approval.

2. Training Plan: The disbursement of Training funds by the Principal Recipient to the Sub-Recipient is subject to the approval of Global Fund of the Training Plan for Period 2.
The Sub-Recipient cannot implement training activities unless there is a formal approval from the Global Fund on the Training Plan.
The following principles will apply in the context of this special condition:
 - The Training Plan will prevail in report with the Work Plan and Budget of the Agreement and events will be organized in the framework of the budgets included in the Training Plan and in strict accordance with the detailed costs per each event and in strict accordance with the Training Plan implementation provisions;
 - The complementation of the Training Plan with additional event will be made based on Request for exception submitted to the Principal Recipient 1.5 months before the planned date of the event.
 - Major adjustment to the Global Fund approved Training Plan will be subject to a prior request for approval submitted to the Principal Recipient 1,5 month before the planned date of the event.
 - Both Training Plan adjustments and Request for Exceptions will be submitted in the form provided by the Principal Recipient.
 - The Sub-Recipient must provide a list of actual date, time and venue of the training events to the Principal Recipient at least three weeks in advance of the training, and any changes to the time and venue information at least five working days in advance of the training. No need to report and seek approval for slight revision of the # of participants, location, slight variation of the budget for specific training event (<10%).
 - Cash payment will limit to reimbursement of local transportation for trainees.
 - Suppliers (i.e. room rental, catering services, stationeries etc.) will be paid by transfers.
 - Facilitators and venue will be selected through competitive process in compliance with the relevant articles of this Sub-Grant Agreement.
 - Trainees' attendance sheet will be signed twice per day (in the first and second part of the training day) and will be used for calculating the attendance rate per each participant. The participation rate to training event should not be less than 80% for a trainee to be registered. Trainees that missed more than 20% of the course will not be validated and respectively not include in the results achieved for the specific event.

STANDARD TERMS AND CONDITIONS TO THIS SUB-GRANT AGREEMENT

PREAMBLE

The Government of Moldova has agreed on a Tuberculosis Grant financed by Global Fund to Fight AIDS, Tuberculosis and Malaria to support the National Tuberculosis Programme during 2010-2015. The Program Grant Agreement was signed on 25th of October 2010 between The Global Fund to Fight AIDS, Tuberculosis and Malaria and Center for Health Policies and Studies (PAS Center), hereinafter referred to as Principal Recipient.

In 2011 the Principal Recipient and Global Fund have agreed to align the program that was funded in the Original Grant Agreement into a single stream of funding and entered into a Program Grant Agreement for Single Stream of Funding effective 31 January 2012.

In 2012 the Global Fund has approved funding for an Additional Implementation Period (2013-2015) and Amended and Restated Program Grant Agreement for Single Stream of Funding.

As a result, and in accordance with the terms of Grant Agreement with the Global Fund that entrusted the Principal Recipient with the right to make available resources for implementation of certain Projects to Sub-Recipient, the Original Sub-Grant Agreement between the Principal Recipient and the Sub-Recipient has been amended and restated accordingly.

The Principal Recipient and the Sub-Recipient, have, on the basis of their respective mandates, a common aim in the furtherance of a sustainable development of the Project.

The Principal Recipient and the Sub-Recipient agree that activities shall be undertaken without discriminatory, direct or indirect, because of race, ethnicity, religion or creed; sex, sexual orientation, status of nationality or political belief, gender, handicapped status, or any other circumstances.

Article I
Definitions

For the purposes of the Sub-Grant Agreement, the following terms will have the following meanings:

"Advance Request" shall mean the disbursement of Funds written request of the Sub-Recipient, signed by the authorized person designated by the latter that may be submitted to the Principal Recipient in accordance with the terms and conditions of this Sub-Grant Agreement.

"Assessment Procedure" shall mean the information, principles, criteria used by the Sub Recipient in the process of assessment and selection as well as the set of documents placed at the disposal of the Subsub -Recipient with a view towards formulating the Assessment Document.

"Assessment Document" is the set of documents submitted by the Sub-Sub-Recipient to the Sub-Recipient in accordance with the requests formulated in the Assessment procedures proving its financial and institutional capacity to carry out the Project.

"Assets" shall mean equipment, non-expendable materials, vehicles, lands, buildings, other constructions or other goods financed/provided by the Principal Recipient, or procured

by the Sub-Recipient under the terms of this Sub-Grant Agreement, which are used by the Sub-Recipient for carrying out the Project.

"Budget" is the document providing the distribution of the totally and quarterly Funds estimated to be necessary for carrying out the activities detailed in the Work Plan (Annex C).

"Disbursement" shall mean a transfer of assets, including a payment of cash or a transfer of supplies, the accounting of which must be rendered by the Sub-Recipient at a later date, as herein agreed upon between the Parties.

"Expenditure" shall mean the amount of money paid or spent by the Sub-Recipient from funds received under this Sub-Grant Agreement.

"Force Major" shall mean acts of nature, war (whether declared or not), invasion, revolution, insurrection, or other acts of a similar nature or force.

"Funds" - means the amounts of money provided under this Sub-Grant Agreement to be advanced to the Sub-Recipient with a view towards carrying out the Project.

"Government" shall mean the Government of Moldova.

"Grant Agreement" is the agreement entered into by and between Global Fund to Fight AIDS, TB and Malaria and the Principal Recipient, with all appendixes and additional acts validly signed by both Parties.

"Implementation Letter" shall mean the document issued by the Global Fund that will furnish additional information and guidance about matters stated in the Grant Agreement.

"Income" shall mean the interest on the Project funds and all revenues derived from Sub-Grant Agreement activities.

"Monitoring & Evaluation Plan" shall mean the performance framework with indicators, periods and targets to be achieved within each quarter as condition to receive the funding from the Principal Recipient (Annex B).

"Overhead cost" shall mean the remuneration costs and indirect cost utilities used by the Sub-Recipient necessary for the achievement of the project's objectives.

"Parties" shall mean the Principal Recipient and the Sub-Recipient, as identified in block 11 to the Sub-Grant Agreement;

"Personnel" shall mean Sub-Recipient's employees, agents, or contractors used by the Sub-Recipient for carrying out the Project.

"Project" shall mean the activities to be carried out by the Sub Recipient, as described in the Project Description (Annex A), as attached to this Sub-Grant Agreement.

"Project Ending Date" shall be as indicated in Block 6 of the face sheet.

"Project Beneficiaries" shall mean the persons or entities mentioned in "Annex A - Project Description".

"Principal Recipient (PR)" shall mean the institution, empowered by the Country Coordinating Mechanism of the National Programs for the prevention and control of HIV/ AIDS, sexual transmitted infection and control of tuberculoses (CCM TB/SIDA) to implement projects funded by the GFTAM.

"Reallocation request" is a document used by the Sub-Recipient for the reallocation between the budgetary lines, more than 10%, without exceeding the total allocated budget of the project. This document must be signed and stamped only by the duly authorized persons of the Sub-Recipient.

"Sub-Grant Agreement" is this agreement together with all appendixes, additional acts validly signed by both Parties;

"Sub-Recipient"(SR) shall mean the organization/institution, that was identified and contracted by the Principal Recipient, under the law of Republic of Moldova, for the implementation of defined activities of the Project;

"Sub-Sub-Recipient" (SSR) shall mean any company/organization contracted by the Sub-Recipient for the implementation of certain activities of the Project.

"Supplies" shall mean all goods necessary for the achievement of the project's objectives (either medicines, medical equipment and technology, leaflets, or other goods as provided in the Work Plan and in the Project Description) provided by the Principal Recipient to the Sub Recipient or procured by the Sub-Recipient under the terms of this Sub-Grant Agreement, in to be freely delivered/distributed to Project Beneficiaries.

"Work Plan" shall mean a schedule of activities, with corresponding time frames as per Annex C that is based upon the Project Description and Terms of Reference and deemed necessary to achieve Project results.

"Annexes" are the following documents attached to the Sub-Grant Agreement and are an integral part of this Sub-Grant Agreement:

Annex A – Sub-Recipient's Project Description

Annex B – Sub-Recipient's Monitoring and Evaluation Plan

Annex C – Sub-Recipient's Work Plan & Budget

Article II

Objective and Scope of the Sub-Grant Agreement

2.1 The Sub-Grant Agreement sets forth the general terms and conditions of the cooperation between the Parties in all aspects of achieving the Project, as set out in the Project Description (see Annex A) with the observance of the terms and conditions of the Sub-Grant Agreement.

2.2 In accordance with the Budget, the Principal Recipient has allocated and will make available to the Sub-Recipient Funds that will be used for the implementation period of the Project indicated in Block 6 up to the maximum amount indicated in Block 7 of the face sheet, for the following project's Objective. The total Program amount includes the Sub-Recipient Planning and administration costs.

2.3 The first installment will be advanced to the Sub-Recipient upon receipt of a completed Quarterly Advance Request based on Work Plan and Budget (Annex C). Subsequent installments will be advanced to the Sub-Recipient following the receipt and approval of the Sub-Recipient's Quarterly Reports.³

The first disbursement of Project funds by the Principal Recipient to the Sub-Recipient is subject to the satisfaction of each of the following conditions:

- a) the delivery by the Sub-Recipient of a statement confirming the bank account into which the Project funds will be disbursed; and
- b) the delivery by the Sub-Recipient of a letter signed by the Authorized Representative of the Sub-Recipient setting forth the name, title and authenticated specimen signature of each person authorized to sign disbursement requests and, in the event a disbursement request may be signed by more than one person, the conditions under which each may sign.

2.4 The Principal Recipient will make the disbursements to the Sub-Recipient in MDL, at the commercial rate of the Principal Recipient Bank, from the payment day, to the account number indicated in Block 9 of the face sheet, exclusively used for the purposes of this Sub-Grant Agreement.

Article III

Duration of Sub-Grant Agreement

- 3.1 The execution of the Sub-Grant Agreement shall commence and shall terminate as indicated in Block 6 of the face sheet;
- 3.2 The end date for the following Period (next Phase), if applicable will be set after evaluation of the previous Period one results by the Global Fund.
- 3.3 The Project shall be carried out in accordance with the time schedule set out in the Work Plan, as agreed by the Parties, being subject to performance-based funding principles.
- 3.4 Depending on the Global Fund approval to extend the Grant Agreement beyond the ending date until a completion date, the parties of this Sub-Grant Agreement may agree to extend the Sub-Grant Agreement at the most until such completion date, if an extension is necessary to achieve the objectives of the Project.

Article IV

General Responsibilities of the Parties

- 4.1 The Parties agree to carry out their respective responsibilities in accordance with the provisions of this Sub-Grant Agreement, and to undertake the Project in accordance with the guidelines and procedures for financing, disbursement, procurement, reporting and control settled by the Principle Recipient.
- 4.2 Each Party are hereby appointing the persons having the ultimate authority and responsibility for the Project on its behalf as indicated in Blocks 11 and 12 of the face sheet.
- 4.3 The Parties shall keep each other informed of all activities pertaining to the Project and shall consult as circumstances arise that may have a bearing on the status of either Party or that may affect the achievement of the objectives of the Project, with a view to reviewing the Work Plan and Budget.
- 4.4 The Sub-Recipient will permanently keep the Principal Recipient informed with respect to any modification of its deeds of incorporation, associates structure headquarters, as well to any other modification to the data and information submitted to the Principal Recipient at the time of assessment.
- 4.5 The Sub-Recipient shall do all necessary to preserve, renew and keep in full force and effect its legal existence and the rights. Licenses and permits which may be required to implement Program activities for which they are responsible.
- 4.6 The funding for the Project will be limited to the Budget provisions. The quarterly disbursements made by the Principal Recipient to the Sub-Recipient will be performed according to the quarterly budget level from the Budget approved by the Principal Recipient. However, each disbursement shall be subject to the availability of Funds to the Principal Recipient for such purposes at the time of the disbursement and the reasonable cash flow needs of the Sub-Recipient.
- 4.7 All kind of Sub-Contracting is allowed only after the signature of this Sub-Grant Agreement, only for achieving the goals of this Agreement.

Article V

Personnel Requirements

- 5.1 The Sub-Recipient shall be fully responsible for all services performed by its personnel.
- 5.2 The Sub-Recipient shall ensure that its personnel meet the highest standards of qualification and technical and professional competence necessary for the achievement of the Project objectives and also will ensure that, subject to the need, the involved personnel will attend proper training sessions to this end.

5.3 The Sub-Recipient will ensure that decisions on employment related to the Project shall be free of discrimination on the basis of race, religion, or creed, ethnicity or national origin, gender, handicapped status, or other similar factors. The Sub-Recipient shall ensure that all personnel are free from any conflicts of interest relative to Project activities.

Article VI

Terms and Obligations of Personnel

6.1 The Sub-Recipient undertakes to be bound by the terms and obligations specified below, and shall accordingly ensure that the personnel performing project-related activities under the Sub-Grant Agreement comply with these obligations:

- c) The Personnel shall be under the direct subordination of the Sub-Recipient,
- d) The Personnel shall not seek or accept instructions regarding the activities under the Sub-Grant Agreement from any third party, except as stated in this Sub-Grant Agreement;
- e) Personnel shall refrain from any conduct that would adversely reflect on the Government of Moldova, the Global Fund and/or the Principal Recipient shall not engage in any activity which is incompatible with the aims and objectives of the Government of Moldova, the Global Fund, or the Principle Recipient;
- f) Information that is considered confidential shall not be used without the authorization of Principal Recipient. In any event, such information shall not be used for individual profit. The Sub-Recipient may communicate with the media regarding the methods and scientific procedures used by the Sub-Recipient. This obligation shall not lapse upon termination of the Sub-Grant Agreement unless otherwise agreed between the Parties.

Article VII

Assets, Supplies and Procurement

7.1 Goods, works and / or services purchased from the funds allocated by the Principal Recipient will be procured by the Sub-Recipient respecting the principles of transparent, high quality, economy and efficiency. Contracts will be award to the following terms and conditions:

- a) Procurement will be conducted taking into account the primary goal of the Project and the necessity of flexibility to ensure a rapid implementation of the Project, in order to achieve the established objectives;
- b) Procurement contracts are to be awarded, to the practical extent, on a competitive basis;
- c) Sub-recipient will only enter procurement contracts with capable, reliable suppliers/providers;
- d) The price for the Supplies, Assets and/or services will not exceed the market price for similar Supplies, Assets and/or services;
- e) During the implementation of the contract and seven years after the completion of implementation period the Sub-Recipient will permanently maintain accurate records of such procurements;
- f) The Sub-Recipient will maintain records of supporting documents, according to the legislation (bills, invoices, receiving documents, etc.) acquired under the Sub-Grant Agreement;
- g) No person affiliated with the Sub Recipient will not participate in the selection, award or administration of a contract or transaction financed under this Agreement, if the person or immediate members / business partners of the person holds a financial interest.

7.2 The Sub-Recipient must adhere to procurement policies and practices applicable to the Principal Recipient as stated in the Principal Recipient's Operational Manual (Procurement chapter).

7.3 If need arise the Principal Recipient may amend its Operational Manual (Procurement chapter) and request Sub-Recipient to apply the last revised version.

7.4 All contracts can be subject to Post Review by the Principal Recipient except otherwise indicated in the Special Terms and Condition. The PR will decide which acquisition will be made by the Sub-Recipient and which will be made by it.

7.5 In case of contracts that are subject to Prior Review, the Sub-Recipient will submit for approval the following documents:

- a) the invitation to quote (ITQ)/the requested of expression of interest /request for proposal
- b) the evaluation report
- c) draft of contract

The approval of the documents at each of the stages and in strict compliance with the order mentioned above is compulsory for the Prior Approval of a contract.

7.6 If the procurement policies and practices and the instruction given by the Principal Recipient, including Prior Review provisions, are not followed by the Sub-Recipient, the Principal Recipient may require the Sub-Recipient to refund the amounts granted for such procurements with interests, according to the legislation in force.

7.7 The Sub-Recipient shall submit at the request of the Principal Recipient any data and information regarding procurement.

7.8 The Principal Recipient, the Global Fund, including the Office of the Inspector General, and the Local Agent of the Global Fund can at any given time, directly or through third parties control if the rules and procedures are followed. The Sub-Recipient shall keep and present to the Principal Recipient, at request, all documents and recording pertaining to the procurements made by using the Funds.

7.9 The Sub-Recipient hereby agrees that the free distribution of the Supplies to the Beneficiaries under this Sub-Grant Agreement will be made in accordance with the following terms and conditions:

- a) upon distribution of such Supplies to individuals identified as Beneficiaries in the Project Description, the Sub-Recipient shall present at Principal Recipient request, detailed written statements/affidavits encompassing express references to the number/quantity of the free Supplies distributed, the period of time allocated for distribution, the number of Beneficiaries to whom free Supplies were distributed and other information Principal Recipient shall consider to be necessary for monitoring the Project.
- b) upon the free distribution of the Supplies to any entities identified as Beneficiaries, the Sub-Recipient shall present at Principal Recipient request, the Receipt Protocol signed by the Project Beneficiary's representative confirming a) the date of delivery, b) the number/quantities of the delivered Supplies, c) the value of the delivered Supplies, d) the identification details of the Beneficiary unit (headquarters, representatives, specific of activity, etc).

7.10 The Assets Purchased by the Sub-Recipient/ Sub-sub-recipient with the Funds shall remain the property of the Sub-Recipient/ Sub-sub-recipient or Beneficiaries with the observance of the terms and conditions of the Sub-Grant Agreement. After suspension, early termination or termination of the Sub-Grant Agreement, the destination of assets will be determined according to Article XVII, point 17.3 of this Sub-Agreement.

7.11 During Project implementation the Sub-Recipient shall be responsible for the maintenance and good care of the Assets.

7.12 The Sub-Recipient shall ensure the safeguarding of assets during the night, or conclude an insurance agreement with an insurance company for cases of fire and flooding.

7.13 All printed, audio and video materials (informational materials e.g., brochures, radio

spots, TV spots, films, shows), guides, course supports, training modules, studies reports, etc. prepared by the Sub-Recipient under this Sub-Agreement shall become and remain the property of the Principal Recipient (as intellectual property), and the Sub-Recipient shall, not later than upon termination of this Sub-Grant Agreement, deliver all such materials to the Principal Recipient, together with a detailed inventory thereof. The Sub-Recipient may retain a copy of such materials, and use such materials for their own use only with prior written approval of the Principal Recipient. The development of such materials shall be subject to the PAS Center's review.

7.14 The Sub - Recipient shall not and shall require that its Sub- sub recipients do not use the logo or any trademarks of the Global Fund unless the Sub Recipient and its Sub- Sub recipients have respectively executed valid license agreements with the Global Fund for such use. The Sub-Recipient shall require approval of Principal Recipient to apply logo and any trader marks, in advance, separately for every case.

7.15 In cases of damage, theft, or other losses of the Assets made available to the Sub-Recipient, the Sub-Recipient shall provide to the Principal Recipient a comprehensive report, including police report, where appropriate, and any other evidence giving full details of the events leading to the loss of the property.

7.16 The Sub-Recipient shall maintain complete and accurate records of Assets and other supplies purchased with Principal Recipient funds and shall take periodic physical inventories.

7.17 The evidence of all assets transferred by the Principal Recipient or procured by Sub-Recipient or Sub-sub-recipients under the Sub-Grant Agreement shall be kept in accordance with the assets register provided by the Principle Recipient and submitted to the latest according to Article X, point 10.1 of this Sub-Agreement.

7.18 In case of inadequate maintenance of the Goods and their use for purposes not provided for under the Sub-Grant Agreement, the Principal Recipient reserves the right to revoke and redistribute the goods purchased under this Sub-Grant Agreement.

7.19 **Code of Conduct for Suppliers.** The Sub-Recipient shall ensure that the Global Fund's Code of Conduct for Suppliers, as amended from time to time, (the "Code of Conduct") shall be communicated to all bidders, suppliers, agents, intermediaries, consultants and contractors (the "Suppliers"). The Sub-Recipient acknowledges and agrees that in the event of non-compliance with the Code of Conduct, to be determined by the Global Fund in its sole discretion, the Principal Recipient reserves the right not to fund the contract between the Sub-Recipient and the Supplier or seek the refund of the Grant funds in the event if the payment has already been made to the Supplier.

Article VIII

Financial and Operational Arrangements

8.1 In accordance with the Budget, the Principal Recipient has allocated and will make available to the Sub-Recipient Funds up to the total Budget subject to the achieving the results stated in the Sub-Recipient Monitoring and Evaluation Plan.

8.2 The first request for advance will have the value mentioned in the budget, for the first quarter of the project. The following requests will cover 3 months, and the PR will transfer, no later than 20 days from the date of the approval of the quarterly report of the Sub-Recipient, only the difference from the requested funds and the funds still available in the Sub-Recipient's account.

8.3 The Sub-Recipient agrees to utilize the funds provided by the Principal Recipient in strict accordance with the Work Plan and Budget and Project Description provisions. The Sub-

Recipient shall be authorized to make variations not exceeding 10 percent on any budgetary category provided that the total Budget allocated is not exceeded. The Sub-Recipient shall notify the Principal Recipient about any expected variations on the occasion of the quarterly consultations. Any variations exceeding 10 percent on any budgetary category that may be necessary for the proper and successful implementation of the Project shall be subject to prior consultations with and approvals by the Principal Recipient based on Request for reallocations.

8.4 Quarterly, the Sub-Recipient will submit to the Principal Recipient a financial report according to the provisions of the Article X, point 10.1.

8.5 All Supplies/Assets and Services shall be purchased by the Sub-Recipient in accordance with the laws in effect in Moldova, that provides taxes facilities for this specific Global Fund grant.

8.6 The violation of provisions related to taxes specific to Global Fund grant will lead to request for refund or deduction from SR Sub-Grant Agreement of the amount equivalent to the tax paid.

8.7 The reality, correctness and validity of all data, documents, dates, amounts and expenditures included into the Sub-Recipients financial reports, submitted to the Principal Recipient are under the responsibility of Sub-Recipient. In this respect, any kind of document issued by the Sub-Recipient in the attention of the PR will carry the following remark: "We undertake the responsibility for the reality, correctness and validity of all data, documents, dates, amounts and expenditures included in accordance with the approved project".

8.8 In the case of any disbursement under the Sub-Grant Agreement that is not used in accordance with this Sub-Grant Agreement or that finances Supplies, Assets and/or services that are not used in accordance with this Sub-Grant Agreement, the Principal Recipient, notwithstanding the availability or exercise of any other remedies under this Sub-Grant Agreement, may:

- a) deduct these amount from the next disbursement, or
- b) require the Sub-Recipient to refund the amount of such disbursement to the Principal Recipient within 15 days after the Sub-Recipient receives the Principal Recipient's request for a refund; penalties can be requested in accordance with the Moldovan law in force.

8.9 If the Sub-Recipient will not respect any of the obligations stated in this Sub-Grant Agreement, having as result a non proper usage of the goods and services financed from the funds, the PR may request to the Sub-Recipient to reimburse (fully or partially) the value of the disbursed funds, used for the procurement of these goods and services, in 30 days from the date of the receipt of the reimbursement request.

8.10 The Principal Recipient's right under paragraphs (8.6 and 8.7) of this Article to require a refund of a disbursement will survive the termination of this Sub Grant, notwithstanding any other provision of this Sub-Grant Agreement, for three years from the date of the last disbursement under this Sub-Grant Agreement.

Article IX

Maintenance of Records

9.1 The Sub-Recipient shall keep accurate and up-to-date records and documents in respect of all expenditures incurred with the Sub-Grant Funds made available by the Principal Recipient, to ensure that all expenditures and activities are in conformity with the provisions of the Sub-Grant Agreement. For each disbursement, the Sub-Recipient shall keep all the original supporting documentation regarding all expenditures made including contracts, invoices, bills, etc. Any income or expenditure arising from Project activities or bank account interest shall be separated accounted/recorded and subsequently used only for Project

purposes. The entire book keeping regarding the disbursement from the Global Fund will be made separately and distinctly from the other book keeping of the company.

9.2 Upon completion of the Project or Sub-Grant Agreement termination, the Sub-Recipient shall maintain the records for a period of at least seven years after the date of the last disbursement under the Sub-Grant Agreement, except for the case the Moldovan legislation requires a mandatory longer period for maintaining such records or for such longer period, if any, required to resolve any claims or audit enquiries, or if required to do so by the Global Fund.

Article X

Reporting Requirements

10.1 The SRs are responsible to submit quarterly reports to the PR on the programmatic progress and expenditures incurred during the preceding quarter.

a) The SRs' final quarterly reports are due to the PR not later than 25 days after the close of each quarter. The preliminary version of all reports must be presented to the PR for clearance in electronic form no later than 17 days after the close of each quarter.

b) The quarterly reports are to be submitted in a standard form including the following sections:

(i) Program report (including both qualitative and quantitative data) – Update on progress made against the agreed work plan, achievement of the agreed quarterly process/output targets, and results, reasons for variances (if any), achievements and challenges encountered and options/actions taken to solve them;

(ii) Financial activity during the preceding period (quarter or semester) and on a cumulative basis from the start of the program through the end of the reporting period, budget vs actual expenditures analysis (using the line items set forth in the program budgets) and reasons for variances (if any). Financial reports will be based on the template provided by the Principal Recipient that can be adjusted or changed at PR discretion. For verification, the financial report will be accompanied by copies of supportive documents (invoice, payment order, fiscal bill, etc.) for each payment exceeding EUR 5,000.00.

(iii) List of indicators (where applicable) – List of relevant indicators with achieved results (incremental for the preceding quarter and cumulative annual or since the program start through the end of the reporting period, as requested) against the targets and indicators as specified in the M&E plan, and reasons for variances (if any). The list of indicator will be based on the template provided by the Principal Recipient that can be adjusted or changed at PR discretion.

(iv) Training register updated for the reporting period based on the template provided by the Principal Recipient that can be adjusted or changed at PR disposition (where applicable);

(v) Fixed assets register updated for the reporting period including goods transferred by the Principal Recipient or procured by Sub-Recipient or Sub-subrecipients under the Sub-Grant Agreement based on the template provided by the Principal Recipient that can be adjusted or changed at PR discretion;

10.2 An Annual Report is due to the Principal Recipient 45 days after the end of the calendar year (e.g., 15 February). This report should include the following:

a) Consolidated Project Activity Report for the entire fiscal year. This can be formatted by consolidating the four Quarterly Progress and Financial Reports from the year into one report;

b) Revised Work Plan and Monitoring and Evaluation Plan for the following year,

including any revised results/targets, as approved by the Principal Recipient (were applicable);

c) Any change to the Work Plan and Monitoring plan need to be submitted to approval of the Principal Recipient.

10.3 The RP has the right to request any additional information to financial and programmatic reports submitted by the Sub-Recipient, modify existing report structure and content, and request interim reports as well as any other data and analyses related to the Project implemented by the Sub-Recipient. The Sub-recipient is bound by the terms and conditions of presenting the information required by PR.

10.4 The Sub-Recipient has the responsibility for the correctness, reality and validity of all data, information, documents, dates, amounts and expenditures reported to the Principal Recipient in respect of the Project.

10.5 The Principal Recipient may at any time, directly or through its agents, verify and control the Sub Recipients' activities and the fulfillment of the planned / reported results.

10.6 In the event of any suspension or termination of the Sub-Grant Agreement, Sub-Recipient should submit to the Principal Recipient the updated records and documents in respect of the expenditures incurred with the funds, financial reports for the last year or the last period of time and a detailed activity report for the entire period of the Sub-Grant Agreement.

Article XI

Audit Requirements

11.1 In accordance with the terms of the Global Fund, each Sub-Recipient is subject to an annual financial audit examination and will be subject to an audit examination upon termination of the Sub-Grant Agreement, by an external auditor named by the Principal Recipient.

11.2 Audit reports are due to the Principal Recipient five months after the completion of the Sub-Recipient's fiscal year.

11.3 The Principal Recipient reserves the right to review the financial records of the Sub-Grant Agreement at any time.

11.4 The Sub-Recipient is subject to a semiannual financial examination by an external examiner (inspector) named and contracted by the Principal Recipient. The PR reserves the right to use, up to the maximum amount of 2% from the budget allocated for this Project, to remunerate the above mentioned examiner.

11.5 **Right of Access.** The Sub-Recipient shall permit, and shall ensure that all third parties permit, authorized representatives of the Global Fund, including the Office of the Inspector General, agents of the Global Fund, and any other third party authorized by the Global Fund, unrestricted access at all times to: (i) Project Books and Records and any other documentation related to the Project held by the Sub-Recipient; (ii) the premises of the Sub-Recipient and any Sub-sub Recipient where Project Books and Records are kept or Project activities are or have been carried out; (iii) other sites where Project-related documentation is kept or Project activities are or have been carried out; and (iv) all personnel of the Sub-Recipient and all Sub-sub Recipients. The Sub-Recipient shall ensure that each Sub-sub Recipient agreement it enters into includes the right of unrestricted access contained in this point. For the avoidance of doubt, the denial of the right of unrestricted access contained in this point, including, but not limited to, the denial of the Global Fund agents' of the Office of the Inspector General's right of unrestricted access, shall constitute a breach of this Sub-Grant Agreement.

Article XII

Liability /Responsibility for Claims

12.1 The Sub-Recipient shall indemnify, hold and save harmless and defend at its own expense the Principal Recipient and the Global Fund, their officials and persons performing services for them, from and against all suits, claims, demands and liability of any nature and kind, including their cost and expenses, arising out of the acts or omissions of the Sub-Recipient or its employees or any other personnel hired for the management of the Sub-Grant Agreement and the Project.

12.2 The Sub-Recipient shall be responsible for, and deal with all claims brought against it by its Personnel, employees, agents, subcontractors and third parties.

12.3 In the event of dissolution of the Sub-Recipient, during the execution of the Sub-Grant Agreement, all obligations and responsibilities arising out of this Sub-Grant Agreement with respect to the Project are subsequently transferred to the legal representative of the Sub-Recipient, after approval by the Principal Recipient.

12.4 In case of dissolution of Sub-Recipient in the conditions provided by the above mentioned in the point 12.3 all Assets are to be transferred to the legal representative of the Sub-Recipient after approval by the Principal Recipient or to the Principal Recipient.

12.5 The Sub-Recipient confirms that its activities are operated in compliance with Host Country law and other applicable law, including but not limited to intellectual property law. In addition, the Sub-Recipient is generally aware that laws exist that prohibit the provision of resources and support to individuals and organizations associated with terrorism and that the European Union, the U.S. Government and the United Nations Security Council have published lists identifying individuals and organizations considered to be associated with terrorism.

12.6 The Sub-Recipient agrees that it will employ all Sub-Grant funds solely for Project purposes, and use reasonable efforts to ensure that Sub-Grant funds are not employed to support or promote violence, to aid terrorists or terrorist related activity, to conduct money-laundering activities or to fund organizations known to support terrorism or that are involved in money-laundering activities as defined in point 12.7.

12.7 Anti-Money Laundering Requirement. The Sub-Recipient acknowledges and agrees that, pursuant to the Global Fund's commitment to prevent money-laundering activities:

- i. Any transaction involving the transfer, disbursement, transportation, transmission, or exchange of Sub-Grant funds (including wire transfers and currency exchanges) shall be carried out by the Sub-Recipient's beneficiary bank into which Sub-Grant funds are disbursed, unless another means of transmittal is specifically authorized in writing by the Principal Recipient prior to carrying out the transaction;
- ii. All transactions involving Sub-Grant funds that are affected through electronic wire transfer or currency exchange shall be properly recorded;
- iii. All currency exchanges involving Sub-Grant funds shall be carried out through established and regulated financial institutions;
- iv. Currency exchange operations which are not carried out through established and regulated financial institutions shall not be regarded as "project activities" (defined as "activities directly supporting the project"); and
- v. The transfer, disbursement, transportation, transmission, or exchange of Sub-Grant funds, by any means: (i) to third parties not directly related to the implementation of the Project and this Sub-Grant Agreement; or (ii) for activities not directly supporting the Project, is strictly prohibited.

12.8 Inclusion of Anti-Money Laundering Requirements in Sub-sub Recipients Agreements. The Sub-Recipient shall include the provisions of point 12.7 of this Sub-Grant Agreement (amended to reflect Sub-Sub-Recipient status) in all Sub-Sub-Recipients

Agreements, and is responsible for ensuring strict compliance with those provisions by all Sub-Sub-Recipients.

12.9 Remedies and Responsibilities for Violation of Anti-Money Laundering Requirements. The Sub-Recipient acknowledges and agrees that:

- i. The Principal Recipient may exercise its right to terminate or apply restrictions to this Sub-Grant Agreement upon the occurrence of any transaction involving Sub-Grant funds that contravenes the points 12.7 or 12.8 of this Sub-Grant Agreement (any such transaction, an “Unauthorized Transaction”); and
- ii. The Sub-Recipient shall bear sole responsibility, financial and otherwise, for any losses resulting from Unauthorized Transactions and shall reimburse the Global Fund for the amount of any losses or gains resulting from Unauthorized Transactions.

12.10 Code of Conduct for Recipients. The Sub-Recipient shall comply with the Global Fund’s Code of Conduct for Recipients of Global Fund Resources, as amended from time to time and available on the Global Fund website (the “Code of Conduct for recipients”), and shall further ensure that the Code of Conduct for Recipients is communicated to all Sub-subrecipients, including through a written acknowledgement of the applicability of the Code of Conduct for Recipients in each Sub-Sub-Recipient grant agreement.

Article XIII

Suspension and Early Termination

13.1 The Parties hereto recognize that the successful completion and accomplishment of the purpose of a technical cooperation activity are of paramount importance, and that the Principal Recipient may find it necessary suspend or to terminate the Project, should circumstances arise that jeopardize successful completion or the accomplishment of the purposes of the Project.

13.2 The Principal Recipient shall consult with the Sub-Recipient if any circumstances arise that, in the judgment of the Principal Recipient, interfere or threaten to interfere with the successful completion of the Project or the accomplishment of its purposes. The Sub-Recipient shall promptly inform the Principal Recipient of any such circumstances that might come to its attention. The Parties shall cooperate towards the rectification or elimination of the circumstances in question and shall exert all reasonable efforts to that end, including prompt corrective steps by the Sub-Recipient, where such circumstances are attributable to it or within its responsibility or control. The Parties shall also cooperate in assessing the consequences of possible suspension or termination of the Project on the Project beneficiaries.

13.3 For the purpose of this Sub-Grant Agreement the following situations shall be deemed to be cases of suspension:

- a) if the Principal Recipient or its external auditor finds discrepancies from the data presented/declared under the Sub-Grant Agreement;
- b) if the Sub-Recipient did not use the Funds in accordance with the terms of the Sub-Grant Agreement;
- c) if the Sub -Recipient cannot provide justifying documentation for the expenditures made by using the Sub-Grant Funds;
- d) if the Sub-Recipient delays the submission of the Final Quarterly Financial and Progress Reports, with more than 14 working days from the date mentioned at article X, paragraph 10.1.

13.4 The reporting requirements remain in force during suspension period.

13.5 The Principal Recipient may at any time, after occurrence of the circumstances mentioned above and after appropriate consultations, suspend the Sub-Grant Agreement by written notice of the Sub-Recipient, with 5 working days, prior to suspending date. The

Principal Recipient will indicate to the Sub-Recipient the conditions under which it is prepared to suspend the Sub-Grant Agreement.

13.6 If the cause the conditions to unsuspend the Sub-Grant Agreement are not met within the terms indicated by the Principal Recipient in the Notice of suspension, the Principal Recipient may, at any time terminate Sub-Grant Agreement and entrust the management of the Project to another institution.

13.7 The Sub-Recipient may terminate the Sub-Grant Agreement in cases where a condition has arisen that impedes the Sub-Recipient from successfully fulfilling its responsibilities under the Sub-Grant Agreement by providing the Principal Recipient with written 30 day notice of its intention to terminate the Sub-Grant Agreement.

13.8 The Sub-Recipient may terminate the Sub-Grant Agreement only under conditions set out in paragraph 13.9 , after consultations have been held between the Sub-Recipient and the Principal Recipient, with a view to eliminating the impediment, and shall give due consideration to proposals made by the Principal Recipient in this respect.

13.9 The termination of the Sub-Grant Agreement shall determine the following consequences:

- a) The Sub-Recipient undertakes to return all Funds remained unused at the moment of termination;
- b) The Principal Recipient is entitled to ask for the return of the Assets if the Sub-recipient cannot prove by a written statement that such Assets are to be further used for the purpose of achieving the Project objectives, even after the termination of the Contract;
- c) The Principal Recipient is entitled to ask for the return of all Funds that may not be justified in accordance with the terms and conditions of this Sub-Grant Agreement.
- d) The Sub-Recipient undertakes to submit to the Principal Recipient the reports regarding the disbursements and activities performed as per Article X to the date of termination.

13.10 The effective date of termination under the provisions of the above article shall be specified by written notice from the Principal Recipient.

13.11 Upon receipt of a notice of termination by the Principal Recipient, the Sub-Recipient shall take immediate steps to terminate activities under the Sub-Grant Agreement, in a prompt and orderly manner, so as to minimize losses and further expenditures. The Sub-Recipient shall undertake no forward commitments.

13.12 The Sub-Recipient shall return to the Principal Recipient all unspent funds, and the Assets financed under the Sub-Grant Agreement or provided the Principal Recipient, within 30 days.

13.13 The Principal Recipient may decide to let the Sub-Recipient keep the property of the Assets, if, in consideration of the Project objectives, such are deemed to be further used to achieve the purpose of the Project.

13.14 In the event the Sub-Recipient sells the Assets after termination, the Principal Recipient will be entitled to be refunded the Funds utilized to achieve the respective Assets, within 30 days after receipt of the notice of termination the Principal Recipient.

13.15 If at any time, either the Sub- Recipient or the Principal Recipient concludes that the SR is not able to perform the role of Sub Recipient and to carry out the responsibilities under this Agreement or if, for whatever reason, the Principal Recipient and Sub Recipient wish to transfer some or all of the responsibilities of the SR to another entity that is able and willing to accept those responsibilities, then the other entity ("New Sub Recipient"), may be substituted for the Sub Recipient in this Agreement.

13.16 In the event of a transfer of the responsibilities of the Sub-Recipient for the management of the Project to another institution according to point 13.6, the Sub-Recipient shall cooperate with the Principal Recipient and the other institution in the orderly transfer of

such responsibilities. The Principal Recipient may consider that the unspent Funds, the Assets and the Supplies financed with the Sub-Grant funds to be transferred from the Sub-Recipient to the respective institution.

Article XIV

Force Majeure

14.1 In the event of and as soon as possible after the occurrence of any cause constituting Force Majeure as previously defined, the Party affected by the Force Majeure shall give the other Party notice and full particulars in writing of such occurrence if the affected Party is thereby rendered unable, in whole or in part, to perform its obligations or meet its responsibilities. The Parties shall consult on the appropriate action to be taken, which may include suspension of the Sub-Grant Agreement by the Principal Recipient or termination of the Sub-Grant Agreement, with either Party giving to the other at least seven (7) days written notice of such termination.

In the event that the Sub-Grant Agreement is terminated owing to causes constituting Force Majeure, the applicable provisions from this Sub-Grant Agreement regarding termination shall apply.

Article XV

Litigations

15.1 The Parties shall try to amicably settle through direct negotiations, any dispute, controversy or claim arising out of or relating to the Sub-Grant Agreement, including breach and termination of the Sub-Grant Agreement. If these negotiations are not successful, the matter shall be referred to the competent courts of Republic of Moldova.

Article XVI

Privileges and immunities

16.1 Nothing in or relating to the Sub-Grant Agreement shall be deemed a waiver, expressed or implied, of any of the privileges and immunities of the Principal Recipient and the Global Fund.

Article XVII

Amendments

17.1 The Sub-Grant Agreement or its Annexes may be modified or amended only by written agreement between the Parties.

17.2 The termination of this Sub-Grant Agreement will concur with the termination of the period set by "The Ending Day", according to paragraph 3.1 stated above.

17.3 After termination of this Sub-Grant Agreement, the destination of assets procured for or by the Sub-Recipients, for and by Sub-subrecipients and for beneficiary organizations will be determined by the Principal Recipient in accordance with Country Coordination Mechanism's disposition.

ANNEX A. SUB-RECIPIENT'S PROJECT DESCRIPTION (CURRENT PERIOD)

A. General Program Description

1. Summary:

Tuberculosis (TB) re-emerged as an important public health problem after the breakup of the Soviet Union: between 1990 and 2005, the number of notified TB cases (new and relapses) increased 2.6 times. TB incidence is estimated to have increased by 1.5 times between 1995 and 2011 from 109 to 161 per 100,000 population (WHO Global TB Report 2012, pg. 215). TB prevalence is high at 234 per 100,000 population (WHO Global TB Report 2012, pg. 215) and is estimated to be rising, primarily due to high multi-drug resistant TB (MDR-TB) rates. Mortality rates have been fluctuating in recent years but the overall trend is relatively flat and accounted for 657 deaths in 2011 (16.1 per 100,000 population).

Resistance to anti-TB drugs represents an extremely acute and growing problem with MDR-TB levels being among the highest in the world. The preliminary results from the 2011 Drug Resistance Surveillance study show 26% MDR-TB among new and 64% among previously treated patients, which are higher than the 2006 results of 19.4% and 50.8%, respectively. The MDR-TB treatment success rate for the 2008 cohort was 48%, with 26% having defaulted, 15% failed and 10% of patients deceased while on treatment. In 2011, 38% of new cases (76% of new smear positive) and 72% of previously treated cases were tested (routine surveillance) for MDR-TB.

Despite the increase in case detection during 2005 –2009 in Moldova, the treatment success rates for new smear positive cases is stagnant. One of the main cause is considered insufficient Directly Observed Therapy (DOT) during the out-patient phase of treatment. According to the results of evaluation visits of the National TB Program only 65% of patients are estimated to receive DOT during this continuation phase.

Due to financial constraints and gaps between the available funds and the financing requirements to achieve the TB control targets, especially in regard to the social programs and community mobilization, the country apply to the Global Fund, focusing on involvement of the Governmental (GOV) and non-governmental organizations (NGOs), on providing of the packages of services and related activities, in order to decrease the level of epidemics in Moldova.

The Application entitled “Empowerment of People with TB and Communities in Moldova”, foresees involvement of the civil society, people with TB, people with HIV, media and community as a crucial component for the overall success in combating the epidemic and achieving TB control targets.

The Program “Empowerment of People with Tuberculosis and Communities in Moldova” financed within the Global Fund Single Stream of Funding Grant aims to support key priorities of the National TB Control Program (NTP), namely MDR-TB management and treatment adherence through multilateral and multidisciplinary patient-centred approaches.

The programme will support involvement of non-state actors and communities in TB control, by creating TB community centers, development of network of NGOs involved in TB related activities, and enhancing public awareness and communication activities.

To strengthening the patients' adherence to treatment, improve the success rate, decrease default rate as well as ensuring DOT treatment by providing social support to TB out-patients, there were established TB Communities Centers in 10 administrative territories of Moldova. The TB communities Center represents a medico- social unit, connected to the territorial TB out patient treatment unit(phtisiopneumology cabinet) approved by the executive order of the Health Facility.

The program will assist development of patient' adherence support and strengthening social programmes that will ensure successful TB case management through patient support and strengthening health system capacities.

Increasing awareness on TB to public, development of knowledge on TB management and treatment, patients' adherence and, promotion of rights are included in the program by application of variance tools of implementation, namely awareness campaigns, informational materials.

The comprehensive training program will be provided to medical and non-medical service providers within the project to ensure increased access and quality of services provided to TB.

2. Goal:

The goal of the program is to reduce the burden of Tuberculosis in the Republic of Moldova

3. Target Group/Beneficiaries:

- TB patients;
- MDR-TB patients;
- Prisoners;
- People living with HIV/AIDS;
- Families of the target groups;
- Healthcare providers involved in diagnosis, case management, and treatment of TB including primary healthcare (PHC) providers;
- NTP staff; and
- General population.

4. Strategies:

First Implementation Period

- Mobilize resources to support community-level partnerships;
- Remove barriers to care for poor and other vulnerable communities;
- Strengthen the health system and engage all available partners in TB control,

Second Implementation Period

- To ensure successful TB case management through patient support and strengthening health system capacities.

5. Planned Activities:

First Implementation Period

- Stimulate NGO local tuberculosis initiatives through the implementation of small grants programs and training
- Strengthen tuberculosis partnership with local public authorities;
- Increase awareness through innovative programs: peer educators;
- Strengthening national capacities for management of drug-resistant tuberculosis;
- Patient support program for drug-resistant tuberculosis patients will be continued and elaborated.

Second Implementation Period

- Small grants program for NGOs;
- Supporting involvement of groups at high risk of TB; PLWA;

B. Soros Foundation – Moldova (SFM) Project Description

„Empowerment of People with Tuberculosis and Communities in Moldova”

The overall goal of the Program is to control TB by accelerating community and civil society action to stop the spread of TB and reduce the burden of sensitive and resistant tuberculosis in the Republic of Moldova.

Within the current project, the Soros Foundation – Moldova (SFM) will be oriented on development of network of non-governmental organisation involved in public health related issues, in special in TB management and strengthening the capacity building of previous launched project in TB from the NGOs site.

SFM will support participation of new NGOs in TB related area, specifically DOT, monitoring and follow-up of TB patients at community level. In I phase, there were launched activities in TB by the 8 new NGO. Continuity of building capacity of NGO will be ensured by the SFM, which will increase the quality of services provided by them.

Additionally to development of network of NGO acting in TB, SFM will stimulate participation of community volunteers, being considered as complementary support in providing different aspects of community TB work, including information and communication with patients and their families, importance of DOT, psychological support to improve adherence. Special trainings will be provided to volunteers by NGO.

Another objective of SFM will be increasing involvement of groups of high risk of TB, like PLWA, as a measure of addressing TB/HIV issues program.

Most of the actions supported by the SFM will be directed to informational meetings/workshops for members of the National League of PLWA on different aspects of TB control. Communication, peer support group composed from PLWA and former TB patients and involvement and peer support of PLWA. To increase and update knowledge on prevention and care of TB/HIV, TB and HIV, training on how to communicate effectively with patients

Within the first phase of the project, peer support groups (including PLWH as well as former TB patients) were established in 10 rayons working with affected people and those at high risk, their families and communities. The project will support meetings at local level (once per semester per rayon, totally 20 per year), to monitor and coordinate TB and TB/HIV advocacy work of peer support groups in the next phase of the grant.

The program has specific emphasis on stimulating community volunteer activities as well as addressing the needs of high risk population groups.

Supporting involvement of groups at high risk of TB: PLWA. The project facilitates the work of NGOs whose members are PLWA and former TB patients to work with population groups at high risk of TB, including PLWA, at community level. Through a small grants' program, it is planned to support 1 NGO project per year during second period of the grant.

The beneficiary of the program will be: TB patients; vulnerable patients; families of the target groups; prisoners; healthcare providers involved in diagnosis, case management and treatment of TB; civil organizations, groups at high risk of TB; and general population.

C. Detailed activities under the project.

According to the grant agreement in current period, the SFM is responsible and contracted for the following activities within the Program:

OBJECTIVE 2. To strengthen community involvement and foster partnerships for effective TB control

2.1 Small grants program for NGOs

Activity 2.1.1 Grants to NGOs to improve TB control at community level (2.3.1)

Stimulation of involvement of new NGO as well as motivation of keeping the previous ones in the area of TB control and supporting TB patients at the community level will be continued in the second period, applying the experience and knowledge registered in the first round of the project. Small grants Programme will support five grants per year.

Activity 2.1.2. Training of NGOs in TB control (2.3.2)

In the second period of the project is planned to continue NGO strengthening capacity activities by development of knowledge on TB community interventions including support to DOT, being scheduled one training at the national level.

Activity 2.1.3 Training of volunteers from NGOs in TB community work (2.3.3)

Continuity in development of knowledge on TB and psychological support, communication abilities with patients and their families, and information on community assistance models and experience to improve adherence, for volunteers from NGOs working in TB field at the local level, will be ensured also in the second phase of the programme. Training courses have been developed and projected in the timeframe of the project.

2. 2. Supporting involvement of groups at high risk of TB: PLWA

Activity 2.2.1 Informational meetings on TB for members of the National League of PLWA (2.4.1)

In the first period, the TB/HIV related cooperation was approached through informational meetings/workshops for organizations - members of the National League of PLWA on different aspects of TB control and involvement and peer support of PLWA. There have been organized information sessions on TB epidemiology, HIV/TB co-infection, risk groups in TB etc. The launched activity will be supported in the second period of the project via organizing 4 meetings per year.

Activity 2.2.3 Meetings of peer support groups (2.4.2)

Sustainability to established peer support groups in 10 rayons (including PLWA as well as former TB patients) with purpose to work with affected people and those at high risk, their families and communities is considered in the second period of the project.

The project will support one meeting per semester per rayon to monitor and coordinate TB and TB/HIV advocacy work of peer support groups.

Activity 2.2.4 Small grants for TB peer support groups (2.4.3)

Small grants' program to NGOs whose members are PLWA and former TB patients to work with population groups at high risk of TB, including PLWA, at community level, is programmed in the second phase of the project. It is planned to support 1 NGO project per year during Period 2.

Moldova TB SSF Project, Period 2
Workplan and Budget for 3 years 2013-2015
Principal Recipient: Center for Health Policies and Studies (PAS Center)

	No.	Objective / Activity	Description	Budget details	Budget category	Year 3 2013	Year 4 2014	Year 5 2015	TOTAL 3 years	
Old lines	1	2	Objective 2. To strengthen community involvement and foster partnerships for effective TB control				147 370	89 370	81 370	318 110
	1.2	2.3	Small grants program for NGOs				134 850	76 850	68 850	280 550
		[SDA: Community TB Care]								
1.2.1	2.3.1	Grants to NGOs to improve TB control at community level	The project supports a small grants' program for NGOs to stimulate NGO participation in TB control, DOT, monitoring and follow-up of TB patients at community level. For this purpose, competitive bidding will be organized every year in order to select projects to be implemented by NGOs at local level (5 grants per year). The program has specific emphasis on stimulating community volunteer activities as well as addressing the needs of high risk population groups.	Average cost per grant: EUR 12,000.	HR (60%), T (10%), ME (10%), PA (20%)	Unit No. of units Unit cost Sub-total	Grant 10 12 600 68 000	Grant 6 11 333 60 000	5 12 000 60 000	254 000
1.2.2	2.3.2	Training of NGOs in TB control	Training for NGOs implementing small grants will be organized at national level, covering priority issues of TB community interventions including support to DOT (1 two days training course per year after grants' award).	Cost of 1 training course: EUR 3,130 (see details in separate sheet in this file).	T	Unit No. of units Unit cost Sub-total	Training course 1 3 130 3 130	Training course 1 3 130 3 130	1 3 130 3 130	9 390
1.2.3	2.3.3	Training of volunteers from NGOs in TB community work	Special training will be organized for volunteers from NGOs working in TB field in rayons that have newly established TB Community Centers, which will cover different aspects of community TB work including information and communication with patients and their families, importance of DOT, psychological support to improve adherence, etc. The project will support 4 training courses per year (at local level).	Cost of 1 training course: EUR 1,430 (see details in separate sheet in this file).	T	Unit No. of units Unit cost Sub-total	Training course 4 1 430 5 720	Training course 4 1 430 5 720	4 1 430 5 720	17 160
2.2	2.4	Supporting involvement of groups at high risk of TB: PLWH					12 520	12 520	12 520	37 560
		[SDA: TB/HIV]								
2.2.1	2.4.1	Informational meetings on TB for members of the National League of PLWH	The project will support a series of informational meetings/workshops for organizations - members of the National League of PLWH on different aspects of TB control and involvement and peer support of PLWH. Four meetings per year will be organized.	Cost of 1 meeting: EUR 255 (see details in separate sheet in this file).	T	Unit No. of units Unit cost Sub-total	Meeting 4 255 1 020	Meeting 4 255 1 020	4 255 1 020	3 060
2.2.4	2.4.2	Meetings of peer support groups	With the project support, peer support groups (including PLWH as well as former TB patients) were established in 10 rayons working with affected people and those at high risk, their families and communities. The project will support meetings at local level (once per semester per rayon, totally 20 per year), to monitor and coordinate TB and TB/HIV advocacy work of peer support groups.	Cost of 1 meeting: EURO 200 on average (see details in separate sheet in this file).	T	Unit No. of units Unit cost Sub-total	Meeting 20 200 4 000	Meeting 20 200 4 000	20 200 4 000	12 000
2.2.5	2.4.3	Small grants for TB peer support groups	The project facilitates the work of NGOs whose members are PLWH and former TB patients to work with population groups at high risk of TB, including PLWH, at community level. Through a small grants' program, it is planned to support 1 NGO project per year during Period 2.	Average cost per grant: EUR 7,500.	HR (60%), T (10%), ME (10%), PA (20%)	Unit No. of units Unit cost Sub-total	Grant 1 7 500 7 500	Grant 1 7 500 7 500	1 7 500 7 500	22 500
8	4	Project management					25 000	25 000	25 000	75 000
8.1	4.1	Management and administration costs of Sub-Recipients					25 000	25 000	25 000	75 000
		[SDA: Project management]								
8.1.2	4.1.2	Sub-Recipient management and administration costs: Soros Foundation - Moldova	Management and administration costs of the Sub-Recipient to be used for the project staff, procurement procedures, financial management, office expenses and other operating costs related to project implementation	Sub-recipient administrative costs (see details in separate sheet in this file)	HR, PA	Unit No. of units Unit cost Sub-total	Year 1 25 000 25 000	Year 1 25 000 25 000	1 25 000 25 000	75 000
			TOTAL				177 370	114 370	106 370	393 110

Principal Recipient:
Viorel Solian
Director
Center for Health Policies and Studies (PAS Center)

Sub-Recipient:
Victor Ursu
Director
Soros Foundation - Moldova

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Nr. 094
14.11.2010

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MOLDOVA
Nr. 1578

Principal Recipient:
Zayed Sultan
2018, 199

Job-Recipient
Viktor Orlov
Director

Republic of Moldova	Soros Foundation Moldova
Tuberculosis	October 2010
MOL-809-G05-T	September 2015
PAS Center	

Component: TUBERCULOSIS

Objective 2. To strengthen community involvement and foster partnerships for effective TB control

Sub-Recipient:
Victor Ursu
Director
Soros Foundation - Moldova



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